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FM AMEMBASSY BAGHDAD
TO RUEHC/SECSTATE WASHDC 0734
INFO RUCNRAQ/IRAQ COLLECTIVE

C O N F I D E N T I A L BAGHDAD 001295

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E.O. 12958: DECL: 04/14/2017
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SUBJECT: AMBASSADOR MEETS WITH CHAIR OF THE NATIONAL
INVESTMENT COMMISSION

REF: BAGHDAD 770

Classified By: Ambassador Ryan Crocker for reasons 1.4 (b) and (d).

¶1. (C) Summary: Ambassador met with Dr. Abbas Mehdi, the newly appointed chairman of the National Investment Commission, on April 10. Dr. Mehdi was appointed by the Council of Ministers on February 8, and is awaiting Council of Representatives approval. He said that he gave Prime Minister al Maliki suggestions for candidates for the nine-member National Investment Commission Board on April 5. Dr. Mehdi is eager to begin promoting investment in Iraq, and requested U.S. support in convincing the Iraqi government of the importance of the commission. End summary.

Forming the National Investment Commission

¶2. (C) The nomination of Dr. Mehdi on February 8 was an important first step following the passage of the Investment Law (reftel). Dr. Mehdi, an Iraqi-American, said that he has twenty years of teaching experience in Minnesota and returned to Iraq in September on a USAID-funded capacity development project. He left the USAID project when appointed as the Chair of the Investment Commission. His nomination requires the approval of the Council of Representatives (CoR), and he told the Ambassador that there was political pressure to form the National Commission based on politics, rather than on merit. Dr. Mehdi said that he gave the Prime Minister suggestions for other nominations to the board on April 5. "I chose them all by merit," he said, "and the result includes two Christians, one Kurd, two Sunnis, and three Shi'a."

Request for More GOI Support

¶3. (C) Dr. Mehdi said that he had a good relationship with the Prime Minister, but that the PM's staff was not sufficiently supportive, either due to time constraints or misunderstandings about the importance of his role. Dr. Mehdi requested that the Ambassador assist in convincing the GOI of the importance of investment in Iraq. He said that he needs staff and resources, and that he should participate in other efforts related to the Iraqi economy, such as the International Compact with Iraq.

Optimistic on Investment Potential

¶4. (C) With the right support, Dr. Mehdi said, the National Investment Commission could be successful, even given the challenging security environment in Iraq. "If we have an office," he said, "I could staff it within a month, and there are many things that we could do in areas like Basrah and

Nasiriya." Waiting for the environment to be perfect, he noted, would be too long a wait. He wants the Investment Commission to study the experiences of countries like Jordan, Dubai and India, and create an information center for investors interested in opportunities in Iraq.

Comment

15. (C) Dr. Mehdi seems like a non-partisan choice for the Chair of the Investment Commission. As the Commission is a prerequisite for the necessary regulations to implement the law, his appointment is an important step. There has already been USG assistance in developing the by-laws of the Commission. The Office of Private Sector Development in IRMO will sign a contract by the end of this month with OECD that will in part provide support for the Investment Commission by providing Rules and Regulations for the Commission, organizational structuring, investment policy development and direct capacity development to the Commissioners.
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